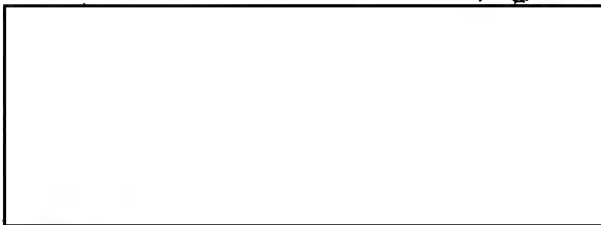


62-7790/A

25 October 1962

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Dear Phil:

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Thank you for your letter of 12 October and for including the name of on the Operation Understanding trip.

With regard to a job for you that would involve dual compensation, here are the facts.

In the first place, we are doing no recruitment in the higher grades, except under most unusual circumstances where we are looking for a "rare bird" whose qualifications are intimately connected with intelligence work and where the need is most compelling. We are mainly interested in building a career service through hiring bright young people and training and promoting them on a competitive basis. As a result, jobs in the higher grades are usually filled by careerists already with us.

Second, there are restrictions on the civilian employment and compensation of retired regular officers. Reduced to the simplest terms, the general rules are as follows: Dual employment statutes do not permit the employment of a regular officer retired for longevity; however, they do permit the employment of an officer retired for service-connected or combat disability. Dual compensation statutes limit the officer retired for service-connected disability to receiving both retired and civilian pay only up to \$10,000; however, if either his retired pay or civilian salary exceed \$10,000, he may elect which he wants to draw. Dual compensation statutes do not apply to the officer retired for combat disability. Such an officer may receive both his retired pay and his civilian salary without limitation. The interpretation of "service-connected" disability is generally liberal. It is always

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necessary to have the experts here at the Agency check the language of retirement orders against our rule book before making any sort of commitment in this regard.

Notwithstanding the general prohibition against employing officers retired for longevity, CIA has special authority to employ a few such officers. As you can well imagine, this authorization is usually committed and we have to limit its use to enable us to employ men who are exceptionally well qualified for a particular job. However, there is enough turnover among this group that there are available spaces from time to time.

I have gone into some detail on this but wanted you to have all the facts.

Hope all goes well with you. Let me know the next time you are in town.

Faithfully yours,

18/Pat

Marshall S. Carter
Lieutenant General, USA
Deputy Director

MSC: bec
Orig - Adse
1 - DDCI w/basic
1 - ER
1 - D/Pers